

Managing Your Relations With The Agency

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**A guide on establishing
constructive relationships
that open doors and get
problems corrected**

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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

May 16, 1980

OFFICE OF POLICY

TO ALL GAO PROFESSIONAL STAFF:

We all want to effectively perform and report on our assignments. Establishing and maintaining an atmosphere of mutual respect with individuals whose actions and decisions we are evaluating can contribute greatly to those efforts. In most instances, these people will be Federal agency employees at various levels of management. This booklet, prepared by staff of the Dallas regional office, provides some practical illustrations of many things we can do to foster cooperative relationships with agency officials and others we audit.

As the authors point out, our success in accomplishing reasonable changes which will improve Government programs and activities, depends largely on our powers of persuasion. No one, including ourselves, likes criticism. Yet it is our business to be critical most of the time. By clearly demonstrating our willingness to establish and maintain a professional and constructive attitude, we can help set a receptive frame of mind, thus improving the chances that our recommendations will be properly evaluated and successful in contributing to improved operations.

The booklet was written principally from a perspective of working at locations away from agency headquarters. However, many of its techniques, and certainly all of its principles of effective, continuous two-way communication throughout an assignment, are equally applicable to agency headquarters' activities. The Guide will be a helpful reminder to us all.

B.G. Anderson

Director, Office of Policy

PREFACE

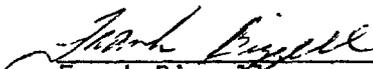
As used in this guide, the term "agency relations" refers to the total interaction between GAO and the agencies we audit. A "constructive relationship" is one which, ideally, creates mutual trust and respect, open-mindedness, objectivity and fair-play, and a sense of a common purpose to make Government work better. This ideal relationship is difficult for us to attain since we are in the daily business of being a critic of the executive branch. The authors believe, nevertheless, that the unique nature of GAO's role in Government should cause us to strive for this ideal.

We in GAO can only recommend; we cannot direct. Thus, the efforts we make toward economy, efficiency, and effectiveness in Government are extricably linked to the way we manage our relations with those we audit. A constructive relationship encourages those we audit to be more receptive to our recommendations.

The authors believe every GAO auditor should be aware of the factors influencing these relationships, and learn to think, act, and react in a way which will improve them. The authors hope this guide will help; however, its value to each auditor will depend upon the depth and breadth of individual work experiences. Some may find little which is new or innovative; others may find new techniques or ideas; still others may find it useful as a reminder of the specific strategies which can help establish a constructive relationship.

This guide represents the five authors' collective thoughts and ideas on what we can do to foster constructive relationships and is not intended to be an exhaustive discussion of this subject.

The authors especially want to acknowledge our editor, Dianna Taylor, for her contributions to this guide.



Frank Bizzell



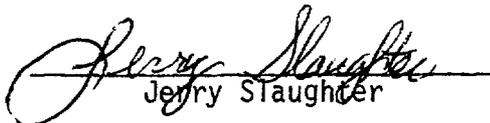
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INTRODUCTION

The material presented is grouped into the three phases applicable to all assignments. Part I covers presite activities, Part II site activities, and Part III post-site activities. Each part discusses things to know or do at each phase which can improve the prospects for constructive relations with agency officials. A brief statement discussing the importance of each idea is followed by a series of questions designed to assist the auditor in selecting a strategy for interacting with agency officials.

Because jobs vary widely, the auditor must exercise judgment in selecting the appropriate strategy. However, many of the elements of each strategy will be common to all jobs.

Included in the appendix are possible sources for useful information. Specific information needs and the sources available to satisfy those needs will, of course, vary. The authors believe that early consultation with senior supervisory personnel and issue area coordinators to draw on their knowledge and experience could significantly reduce time spent gathering such information.

PART I

GETTING THE JOB OFF TO A GOOD START

1. KNOW THE JOB

One of the most important prerequisites for a constructive relationship is to be well informed about all aspects of a job before arriving at the audit site. In other words, we need to do our "homework" because the image we create initially can set the tone for everything that follows.

Being knowledgeable about the auditee--their organization, their programs, their unique characteristics--cannot only help us to better understand the audit objectives but can also help establish our credibility with the auditee. To foster a constructive relationship, we also need to convince the auditee at the outset that we have worthwhile objectives and logical reasons for selecting the audit sites. This means we must be well versed on the objectives and scope of the audit, able to convey them to the auditee in a positive manner, and able to explain how the auditee's activity is important to our overall audit effort.

We also should be knowledgeable of prior and ongoing GAO audits affecting the auditee. Many of us have found ourselves in entrance conferences being asked about prior or even ongoing GAO audits about which we knew nothing. This situation is embarrassing at best and can make it more difficult to establish our credibility--an essential prerequisite to a constructive relationship.

Additionally, we should know the origin of the audit and be able to explain it to the auditee. Auditees often are more responsive to our audits if there is known congressional interest in the issue or area being audited. Therefore, congressional requests should be made known to the auditee, including the name of the requestor if we are permitted to release it. If the audit is based on our general audit authority, we should make known to the auditee which committees we expect to have an interest in our final report.

All auditees are interested in why we are auditing them, what we plan to report, and to whom we plan to report it. On rare occasions, full disclosure is impossible because of constraints over which we have no control. But if no constraints exist, we should be prepared to fully discuss the origin, objectives, scope, and reporting plan with the auditee. Such an open and above-board approach can help to mitigate the auditees' feeling that we are "out to get them" and can help to create the frank and candid dialogue necessary for a constructive relationship.

Key Questions

- a. How do the audit objectives relate to the responsibilities of the auditee?
- b. What is the origin of the job? If a congressional request, can we release the name of the requestor? If based on our general audit authority, which committees do we expect to have an interest in our final report?
- c. How were the audit sites selected?
- d. Are there prior or concurrent GAO audits we should be knowledgeable about?
- e. Should there be any follow-up work on prior findings? If so, have agency officials been made aware of our intentions?

2. UNDERSTAND THE AUDIT ENVIRONMENT

A maxim that applies to any audit is: the more we know about the environment in which we must work, the more effective we can be. Before going to the site we should find out whether the auditee's attitude toward prior GAO audits has generally been friendly or unfriendly. We should also find out whether the auditee has specific policies which may affect the way we plan to conduct the audit.

Additionally, because the "character" of internal audit or inspector general activities varies widely, we should know what we can expect from them. These activities may be highly independent, conscientious, and dedicated to eliminating waste and inefficiencies. As such, they can be depended upon to act as a lever in getting constructive action, and so our relationship with these activities becomes very important. In some instances we might even refer problems to these activities because they can pursue them more effectively than we can. Sometimes, however, knowing the "character" of internal audit/inspector general activities may decrease our dependence upon them.

Although access to contractor records is a matter of law, contractor interpretations of the law vary and can sometimes cause us a problem. But even if no access problem is anticipated, it is still helpful to know whether the contractor's procedures give us "carte blanche" access to all records and files or somewhat more restricted access. More often than not, we can find GAO staff members who can draw upon their past experiences to provide us valuable insights into the audit environment we will likely encounter and share with us the "lessons learned" in interacting with agency officials.

Key Questions

- a. Is the agency's attitude toward GAO friendly or unfriendly?
- b. Is the activity Government or commercial? What rights do we have to the auditee's records/personnel?
- c. What are agency policies regarding GAO audits?
- d. Have other GAO staff audited the agency or its programs in the past? If so, what was their impression of the environment?
- e. What is the auditee's relationship with its own internal audit? How will this relationship affect the job? Can we deal with this positively?
- f. To what extent can we rely on the auditee's internal audit/inspector general function to act as a lever in getting problems corrected? Will they assist or hinder us in this effort?

3. FOLLOW ESTABLISHED PROTOCOLS

Over the years certain protocols/working agreements have been established between GAO and various agencies. For example, (1) Department of Defense activities generally should be given a 10-day advance notice of our visit, (2) we cannot visit a U.S. Attorney's Office before notifying a specified Justice Department official in Washington, D.C., (3) FBI offices will grant us access only to information and files specified in formal working agreements between the Comptroller General and FBI officials, and (4) the names of GAO personnel assigned to Internal Revenue Service (IRS) audits must be provided to IRS headquarters in Washington, D.C., before IRS will permit any on-site work. These are but a few of many such protocols and working agreements.

Formal working agreements generally are established by top GAO and agency officials and are routinely disseminated to divisions and offices. However, before beginning an audit, it is a good practice to contact the cognizant GAO headquarters division to assure that we are aware of formal working agreements and fully understand our prior and current relationship with the auditee.

There are at least two important reasons for knowing what protocols/working agreements exist between GAO and the agency we plan to audit. First, to be considered a professional organization, we must honor whatever agreements we have made and show that our headquarters and field offices have properly coordinated such agreements. Second, being knowledgeable of established working agreements can alert us to any attempts by auditees to restrict our efforts beyond established agreements. For example, agency officials might try to reverse prior "gains" we have made in getting access to their records and/or personnel. Familiarity with prior working agreements, both formal and informal, can assist in thwarting such attempts.

Occasionally we may find that working agreements which were acceptable in the past are too restrictive for our current audit. It is important to recognize and resolve such problems as soon as possible, before they cause undue delays or otherwise seriously hamper our audit effort.

Key Questions

- a. Have formal working agreements and protocols been discussed with the GAO headquarters division having audit cognizance over the auditee?
- b. Has the auditee designated an official liaison for GAO audits?
- c. What information (e.g., special clearances, notifications, etc.) does the auditee require before we begin site work?

- d. What is the auditee's general policy on GAO's access to records and personnel? Are there unresolved differences of opinion regarding GAO's statutory authority which need to be addressed "up front" with team management and the auditee?
- e. Are there undesirable (but legal) restrictions, such as limited access to contractor personnel, which will keep us from accomplishing our audit objectives within established timeframes? Have these concerns been brought to the attention of team management?

4. STRIVE FOR MUTUAL RESPECT AND COOPERATION

In the ideal audit environment we have unrestricted access to the records and people we need to do our job, and the auditee is open to our suggestions and willing to test them. Obviously, we must deal with audit environments somewhat less than ideal, but we can reduce friction by consciously striving to establish and maintain an air of mutual respect and cooperation.

Once established, a cooperative relationship with the auditee will benefit every aspect of the job. For this reason it is important that we make every reasonable effort to solicit the auditee's cooperation as early in the audit as possible, keeping two basic thoughts in mind. First, the way we conduct our presite contacts with the auditee will dictate the tone of the entire audit. Therefore, we should strive to be informed and flexible. Second, the relationship should begin on a formal basis, recognizing that formalities can always be relaxed as the job progresses. The reverse, however, often causes undue strife. That is not to say that we should be overly formal; obviously some agencies' previous contact with GAO makes this approach inappropriate.

Traditionally, our first formal contact with the auditee is the notification letter explaining the nature and scope of our planned work. There are, however, opportunities to precede the letter with telephone contacts to answer basic questions, such as to whom do we send the letter, and to what address? During the course of these contacts we can demonstrate our willingness to cooperate by responding to the auditee's questions or concerns about the audit.

Key Questions

- a. What action(s) can be taken early to establish/improve our working relationship with the auditee?

5. RESEARCH SECONDARY SOURCES OF INFORMATION

The knowledge gained through secondary sources of information provides an added dimension to the auditor's capabilities and credibility. Although the programming division may provide a substantial amount of background material for the job, we can often obtain a broader perspective on the overall subject matter from secondary sources. Obviously, the more subject knowledge we acquire and convey to agency officials, the easier it is to establish our credibility and gain acceptance of our recommendations.

It is also possible that information from secondary sources will permit us to significantly reduce the scope of our audit, or reduce the time agency personnel must spend in helping us do our audit. Such information also adds to our "up-front" knowledge about the job and helps establish early our credibility with the auditee. Too, research of literature can identify recognized authorities on the issues we are studying. These authorities may provide us insights which might take us weeks or months to acquire stumbling around on our own.

Although no standard format exists for providing background information on new audits, it is possible that the programming division has on file or has ready access to useful information not previously provided in our background data "package." Before initiating a search for additional information outside GAO, it is a good practice to find out whether the programming division has additional information from secondary sources which would be useful in our audit.

Key Questions

- a. Are secondary sources of information available to complement your knowledge of the issues? Specifically, have the following sources been considered?
 - Inspector general reports.
 - Internal audit reports.
 - GAO's research and reference service.
 - Public and private libraries.
 - Trade associations.
 - The Congressional Record and congressional hearings and reports.
 - Federal Register.

6. BE FAMILIAR WITH RECENT GAO REVIEWS OF THE AUDITEE

Over a period of years GAO may make several reviews of a given auditee, amassing considerable knowledge regarding the auditee's operations. The resulting reports summarize the "official" data regarding these efforts. Discussing previous audits with the staff that made them and reviewing the related reports can give the new audit team vital data regarding (1) the organization being audited, (2) previous audit objectives, (3) deficiencies identified, and (4) the auditee's response to previous audits. Such data is important in quickly establishing meaningful dialogue with the auditee.

Key Questions

- a. Have you discussed your new assignment with other GAO staff that have had recent contact with the auditee?
- b. Have you obtained copies of recent GAO reports relating to the auditee from the applicable operating division or regional office?
- c. Were the objectives of previous reviews similar to your objectives? If so, would the working papers from previous reviews aid your efforts?

PART II

MANAGING RELATIONS AT THE SITE

1. KEEP AGENCY OFFICIALS APPRISED OF JOB PROGRESS

Discussions and, sometimes, written communications of tentative findings and possible solutions with responsible agency officials during the audit are an essential part of GAO audit procedures. Such communication helps to foster an open and above-board relationship and encourages timely corrective action. A "one upmanship" approach in our relationship with the auditee can cause distrust and apprehension and can lessen the auditee's understanding of our position concerning needed improvements.

Too, full and open discussions of the audit results during the audit may point out shortcomings in our audit approach, weaknesses in the evidence we have obtained, or even inaccuracies in the assumptions underlying our tentative conclusions. Dealing with such problems during the audit is easier than trying to deal with them during the exit conference or as formal comments to our draft reports. In other words, the best time to convince ourselves and the auditee of the merit of our proposals is while we are at the audit site.

Further, early recognition and discussion of tentative audit findings can often result in early corrective action, thus significantly reducing the audit effort needed to prove the merit of our findings to higher level officials or third parties. This approach might also lead to corrective action during the early phases of the assignment, thereby negating the need to commit additional resources for more detailed work.

Sometimes, however, we may find ourselves in an audit environment in which candor is a one-way street (in the auditee's favor). Prematurely disclosing our findings may adversely affect the audit if the auditee closes off sources of information before we have finished the fact-gathering phase of the audit. In such situations we may have no alternative but to modify our approach and "play by the auditee's rules." However, we should try to understand what is motivating the auditee to a strong adversary role and be alert for possibilities to make positive changes in our relationship with the auditee. We might find, for example, that the auditee feels that GAO has treated them unfairly in the past, or that we were not objective in our reporting. We might even conclude that the auditee's feelings have some merit and might choose to discuss such matters with the auditee. Recognizing the causes of a poor GAO/auditee relationship will not guarantee that we can improve the relationship, but it will aid us in deciding what actions to take.

Key Questions

- a. Would regularly scheduled meetings with the auditee to discuss audit results enhance early acceptance of conclusions and recommendations?
- b. Does the audit environment mandate a particular strategy in discussing our tentative findings and conclusions with the auditee, e.g., are formal or informal procedures required? Does the timing and extent of disclosure of audit results need to be modified to recognize special environmental factors?
- c. Are there specific steps we can take toward fully and openly discussing the information developed which may have positive effects on our relationship and foster corrective action?

2. FOLLOW "ACCEPTABLE" AGENCY RULES

We should adhere to the agency's operating procedures and conditions unless they hinder or constrain us unreasonably. Complying with agency rules helps us to demonstrate our cooperativeness and influences the auditee's attitude. If this cooperativeness is nurtured, we may find the auditee more receptive to our findings and suggestions for corrective action. However, unreasonable demands that restrict our access to records or personnel should be promptly negotiated with the agency officials involved. Then, if an acceptable compromise cannot be negotiated within a reasonable time, the matter should be referred to higher agency and GAO officials for resolution.

Key Questions

- a. Have steps been taken to identify the auditee's conditions or procedures which will affect our audit? Have all staff been apprised of these "rules"?
- b. Can we live with the rules, or do we need to make a special effort to modify them to accomplish our audit objectives?
- c. Have the agency's unacceptable demands been thoroughly negotiated at the local level or referred to the appropriate level within the agency and GAO?

3. COMMUNICATE FINDINGS TO THE APPROPRIATE OFFICIALS

The most carefully documented findings and most plausible recommendations will have little value if we communicate them only to officials who have no authority to implement corrective action. Therefore, we should make every reasonable effort to communicate problems and solutions to the appropriate officials. Our task is simple if the responsible officials are located at our audit site but becomes more difficult if they are located elsewhere.

The specific steps we should take will depend on our role in the assignment. In a subteam-leader role our findings will usually be communicated to the auditee(s) included in our work segment. In a team-leader role we will usually communicate our findings to top officials in the auditee's agency. Regardless of our role, however, we should determine what officials have the authority to correct the problems so that some member of the audit team can communicate our findings to those officials.

A problem relating to corrective action arises when we have audit findings which are local in nature, which are outside the scope of our audit objectives, or which may not be considered significant when compared to the issues discussed in our final report. Unless extreme care is exercised, such findings may be lost in the "shuffle." We have not fulfilled our responsibility by simply including such findings in a workpaper summary. We need to follow up to see if these findings have been communicated to appropriate officials and, if not, we should take steps to communicate them ourselves.

A word of caution about proposing on-the-spot corrective action: proposed corrective actions should be discussed with the cognizant GAO headquarters division (or team director/team leader, as appropriate) before proposing them to field installations to make sure a local fix does not adversely affect the total system.

Key Questions

- a. Do local officials have the authority to correct the problem(s) found? If not, who does?
- b. What are our specific responsibilities for communicating findings? Who on the audit team should communicate our findings to appropriate officials?
- c. Will we need to write a letter report to cover local or isolated problems (i.e., those unlikely to warrant discussion in the final report)? If so, do we have adequate information to discuss the problems, proposed solutions, and corrective action taken or promised by the auditee?

- d. Have we taken steps to involve local internal audit/inspector general activities and to get them behind our efforts to get corrective action? Could they more effectively follow up and seek corrective action on some of the problems we found?
- e. Have we coordinated with GAO headquarters division (or team director/team leader) to make sure proposed local corrective actions are appropriate when viewed from a "total system" perspective?

4. MAKE TIMELY RECOMMENDATIONS FOR CORRECTIVE ACTION

An axiom that applies to much of GAO's work is that the probability of corrective action decreases as the time since our discovery of a problem increases. Early discussion of findings with auditees allows them to take corrective action early in the audit and affords them an opportunity to find alternative solutions to problems before we leave the audit site.

We are constantly reminded that agencies should be made fully aware that our findings and recommendations are tentative and do not necessarily represent GAO's final position. It is easy to let this well founded policy restrict our efforts to seek early corrective action. We find ourselves pondering such questions as: what if our conclusions and recommendations are inconsistent with GAO's overall findings? what if Office of Policy disagrees with our position? what if our Office of General Counsel finds legal problems with our recommendations? what if higher level agency officials find fault with our facts, audit approach, or scope of work? These concerns can cause us to become overly cautious in discussing our findings at lower levels.

We must follow Office policy concerning how we portray our findings prior to the final report and must guard against being too categorical before all responsible parties have had their say. But we need not be overly cautious if we are reasonably confident that our conclusions and recommendations are sound and consistent with Office policy. One thing we can do is seek an early (albeit informal) agreement with the operating division on what we intend to say so that the auditee does not have to wait for the final report to see our recommendations. To the extent our proposals could involve legal or policy issues, they should be discussed with the Office of General Counsel or the Office of Policy before being discussed with the auditee.

Key Questions

- a. Can the auditee effectively contribute to the recommendation process? e.g., if the auditee agrees with our facts and conclusions, what does the auditee believe is needed to correct problems?
- b. Can we obtain early agreement with the operating division on tentative recommendations so that the auditee does not have to wait for the formal report to know what recommendations we will make? (Make sure potential legal or policy issues have been discussed with OGC or OP first.)
- c. On multi-location audits, have local or isolated problems (i.e., those unlikely to warrant discussion in the final report) been discussed and corrective action sought at an appropriate level?

5. OFFER TO REVIEW THE AUDITEE'S PLAN FOR CORRECTIVE ACTION

Consistent with the professional relationship we should seek to establish and maintain, we should not be content with merely pointing out various management shortcomings. We should continuously look for ways to assist the auditee in implementing timely and proper corrective action. One of the ways we can do this is to offer to comment on the auditee's planned corrective action. This will demonstrate our sincerity and may encourage the auditee to commit to a course of action.

In some instances, however, it may be appropriate to make such offers informally until our report is published and the agency takes an official position on our findings. This precaution might save both parties potential embarrassment if (a) GAO's finding is dropped during the report review process or (b) the agency disagrees with the need for corrective action in its final position, even though local officials agreed with us.

In commenting on the auditee's corrective-action plan we should consider two questions: if properly implemented will the plan address the problem we found? are there alternatives which might accomplish the same result at less cost? In addressing these questions, keep in mind that we should comment on the auditee's plan only as it relates to the problems we found. Otherwise, we may become the unwitting advocate of faulty systems or procedures.

Properly handled, an offer to comment on the auditee's plan for corrective action can achieve the benefits sought without sacrificing our independence or objectivity on future audits.

Key Questions

- a. Has the auditee agreed to a specific timeframe for initiating corrective action?
- b. Would we enhance constructive action by commenting on the auditee's plan to correct problems identified?

PART III

MANAGING POST-SITE RELATIONS

1. PROVIDE THE AUDITEE AND OTHER INTERESTED OFFICIALS WITH OUR REPORT

Most of us have heard auditee complaints which go something like this: "GAO audits us and spends several months on-site gathering information, but we never see the results." Too often we assume that the activity we audit will receive our report through their own chain of command; then, the next time we audit that activity we find they never received it. This situation certainly doesn't help our relationship with agency officials, and they may assume that our audit produced no results or that GAO's final conclusions and recommendations did not relate to their activity.

As a matter of policy, we generally tell the auditee that our conclusions are tentative, and that they must wait for our office to analyze all the audit data and consider the policy and legal ramifications of our findings before making final conclusions and recommendations. This procedure automatically puts the auditee in a "wait and see" frame of mind. We may leave the audit site convinced that the auditee will agree with and be responsive to our final conclusions and recommendations, but all our on-site efforts to encourage corrective action are useless if the auditee never knows the "final" results of the audit.

Obviously, if we issue a report it will go to the top agency officials and we may find that this is good enough. But experience has shown that the individual activities audited may never see our report. This is particularly true when the auditees are at the bottom rung of the organizational ladder, are quasi-Federal or State activities, or are nongovernmental organizations and individuals. Although lower level activities may be unable to initiate corrective action, it is still important that they know the final results of our audits. Providing auditees with copies of our audit reports helps us to maintain good working relations and demonstrates that we intend to communicate our findings to all responsible officials. We also hope the report will show that we seriously considered their comments and that we treated them fairly. Therefore, as part of every audit we should discuss the normal flow of GAO reports with the auditee and make sure the auditee receives copies of our reports.

Key Questions

- a. Has the auditee been listed on the report distribution instructions (GAO Form 115)? If not, should we provide copies directly to the auditee?

- b. Have we identified the officials within the agency that should receive a copy of the report, i.e., those who can influence corrective action?
- c. Would the officials with whom we had the most contact during the course of the audit find the report useful? Can they influence corrective action?
- d. Would it be appropriate to contact these officials to let them know the report has been issued and offer to provide them copies?
- e. Have we identified other agencies that may benefit from the report? If so, have we made the necessary contacts?

2. DOCUMENT CORRECTIVE-ACTION PLANS

Sometimes the auditee may agree verbally to take corrective action. It is important that such verbal agreements be confirmed. Written agreements can help to clarify misunderstandings that did not surface during our discussions with the auditee and can serve as a basis to evaluate the auditee's compliance with the agreed upon corrective actions. When developed by an agency's local or regional office, such plans can provide additional evidence to help convince the agency's policymakers of the need for corrective action.

Corrective actions taken while we are at the audit site can be acknowledged in the audit closeout letter. Additionally, this letter could discuss promised corrective action not yet taken and our understanding as to when corrective actions will be completed.

Key Questions

- a. Have corrective-action plans been confirmed in writing when appropriate?
- b. Have all appropriate GAO and auditee management levels been provided copies of the agreement?

3. TAKE FOLLOW-UP ACTION

The need for effective follow-up on our audit work is well established in GAO policies and procedures. The Comprehensive Audit Manual, for example, emphasizes that our concern does not end when a report is issued. The manual recognizes that if we devote substantial resources to making a review and developing a report, it is important that we evaluate the actions taken on our recommendations.

The extent of necessary follow-up action varies with the significance and type of our audit findings. Also, the specific actions to take depend on whether you have primary or secondary responsibility. For example, broad recommendations affecting an entire agency or program will be directed to top agency officials, and primary follow-up responsibility will generally rest with the directorate of the cognizant operating division. A regional office's responsibility on such audits generally is limited to assisting the operating division. On local audits, the regional office may have primary responsibility for follow-up action.

The important thing to remember, however, is not who has primary or secondary follow-up responsibility, but rather that GAO has a responsibility to the Congress to follow up on our recommendations. This occasionally may mean that those in a regional office will need to "remind" the operating division--or vice versa--that appropriate follow-up action has not been taken.

It is very easy to neglect needed follow-up action because we often feel overwhelmed with the pressures of our current work and forget what is behind us. However, if we don't show enough interest in our recommendations to follow up after the audit, how can we expect the auditee to take our recommendations seriously? Just as the possibility of a GAO audit can influence an agency's day-to-day decisionmaking and internal controls, the absolute certainty that we will follow up on audit findings might encourage them to make a more timely and complete response to our recommendations.

Key Questions

- a. Are there systematic procedures which will assure that needed follow-up action is taken, regardless of our specific responsibilities?
- b. If follow-up action requires post-assignment commitments (e.g., time, travel funds, etc.), have these needs been made known to management and have tentative agreements been reached?
- c. Have we made our follow-up action plans known to responsible agency officials, including cognizant internal audit/inspector general activities?

4. IDENTIFY POTENTIAL AUDIT AREAS

One of the impressions we need to convey to agency officials is that we have a sincere interest in making Government work better and we are not simply interested in making "headlines" by only addressing controversial, national issues which will receive wide publicity. We are also interested in the more mundane, less "sexy" problems if they are the cause of waste and inefficiency.

One of the ways we can convey this impression to agency officials is to note any situation which has potential for causing waste or inefficiency in the Government. Our work is incomplete unless we document these situations so that they can be considered for future audit work. To "sell" our ideas to others, we may need to gather and analyze the facts and present them in a well-thought-out fashion.

The minimum requirement is to bring such situations to the attention of the programming division for its consideration during the planning process. In addition, we may decide that the problem should be addressed by the agency's internal audit group, in which case we probably will need additional documentation to convince them to take action.

Because immediate followthrough on proposed audit work is not always possible (or necessary), and because time fades memories and interested parties move on to other responsibilities, potential audit work may simply fall through the proverbial "crack" unless we provide adequate documentation.

Key Questions

- a. Have potential audit areas been appropriately documented in memos to the programming division, or referrals to cognizant inspector general or internal audit activities?
- b. Was there feedback from management indicating the disposition of suggested audit areas?

5. CONSIDER GOING BEYOND THE ROUTINE EXIT CONFERENCE

We all recognize that the exit conference is an important part of any audit and as a matter of routine we hold exit conferences with each auditee. However, a different strategy in the way we communicate our findings might result in greater corrective action.

More and more we are making wide-scope reviews with very broad objectives and find ourselves evaluating major segments or complete programs which cross department, agency, or government lines. For example, an evaluation of some Federal social programs may involve several Federal and State governmental entities, a host of third-party sponsors, and a number of lobbyist groups. Some evaluations can be even more complex when various Government programs are working toward the same objective but are not coordinating their efforts. In some instances agencies may even be in "competition" for the same target group or even working at cross purposes.

Although GAO gains a broad, program-wide perspective on how well a program is working and what improvements are needed, individual organizational entities which are only part of a total program effort may have, understandably, a much narrower perspective. They may see the program and its problems only within the limits of their own involvement.

Typically, however, we follow a one-on-one approach in our exit conferences. We discuss fully with each auditee what we found at their activity but are very close-mouthed concerning what we found elsewhere, and we often follow this same approach when more than one agency is involved. We then retreat to our offices, pull together a report which portrays a broad perspective on a program's problems, and which synthesizes all of the individual, organizationally interrelated problems, and hope that everyone involved in the program reads it.

The above scenario may have been somewhat overstated, but it illustrates a point: we may be missing opportunities to achieve more far reaching corrective action. Perhaps we can provide a broader perspective on a program's problems in a face-to-face meeting with all interested parties; perhaps we can provide the forum for dialogue leading to a more coordinated effort; perhaps it would be beneficial to share the problems found in one program with agencies which may have the same kind of problems on other programs.

Key Questions

- a. Would it be beneficial and practical to go beyond the routine exit conference to a consolidated exit conference bringing all of the audited parties together?

- b. Would it be beneficial and practical to sponsor a seminar or conference, bringing together all interested parties to share what GAO is doing or has found that might benefit them? Are there existing forums which we might use for this purpose?

POSSIBLE SOURCES FOR INFORMATION

<u>Item</u>	<u>Possible sources</u>
1. Prior GAO audits	<ul style="list-style-type: none"> a. Assignment Management and Planning System (AMPS) b. "Annual Report of the Comptroller General" c. "Summaries of Conclusions and Recommendations on the Operations of Civil Departments and Agencies" - Report to the House and Senate Committees on Appropriations by the Comptroller General (Separate report issued for Defense) d. GAO Distribution Section in headquarters (individual reports) e. Issue area coordinators <u>1/</u> f. Monthly List of GAO Reports g. "Federal Program Evaluations" - Congressional Sourcebook Series h. "GAO Documents/Catalog of Reports, Decisions and Opinions, Testimony and Speeches" i. Local office libraries j. Program Plans (for reports relating to specific issue areas)
2. Current audits	<ul style="list-style-type: none"> a. Assignment Management and Planning System b. Issue area coordinators <u>1/</u> c. Other GAO staff d. Program Plan (for specific issue area as of date of plan)
3. Origin of audit	<ul style="list-style-type: none"> a. Firm Assignment List b. Form 100 c. OCR congressional contact memorandum d. Programming division
4. Congressional interest in audit	<ul style="list-style-type: none"> a. Firm Assignment List b. Form 100 c. Programming division d. Congressional hearings e. OCR congressional contact memorandum

1/ For a list of issue area coordinators in headquarters, see OPP's memorandum "Coordination and Cooperation Among Congressional Agencies - List of Contact Points By Issue Area"; for regional offices, see "Issue Area Coordinators in the Field Operations Division."

<u>Item</u>	<u>Possible sources</u>
5. Relationship of current audit to priority-lines-of-effort	<ul style="list-style-type: none"> a. Program Plan b. Firm Assignment List c. Form 100 d. Issue area coordinators <u>1/</u> e. Other programming division/regional office staff
6. Rationale for selecting audit sites	<ul style="list-style-type: none"> a. Firm Assignment List b. Form 100 c. OCR congressional contact memorandum (especially congressional requests) d. Programming division staff e. Program Plan
7. Reporting plans/constraints	<ul style="list-style-type: none"> a. Form 100 b. Firm Assignment List c. Team agreements d. OCR congressional contact memorandum (congressional requests) e. Audit programs f. Programming division staff
8. Information about auditee's organization, policies, programs, unique characteristics, relationship with GAO, etc.	<ul style="list-style-type: none"> a. Prior GAO reports b. Congressional hearings c. Permanent files d. GAO staff having prior experience with auditee (part of AMPS data base) e. GAO headquarters division having organizational responsibility for auditee (e.g., General Government Division for FBI) f. "U.S. Government Manual" g. Federal Budget
9. Audit environment	<ul style="list-style-type: none"> a. GAO headquarters division having organizational responsibility for auditee b. GAO staff having prior experience with auditee (part of AMPS data base) c. Permanent files d. Issue area coordinators <u>1/</u>
10. Establish protocol/working agreements	<ul style="list-style-type: none"> a. Agency and/or issue area coordinators in GAO headquarters division b. Permanent files c. GAO staff having prior experience with auditee (part of AMPS data base) d. GAO Orders

1/ See footnote 1 on p. 24.

<u>Item</u>	<u>Possible sources</u>
11. Secondary sources of information	<ul style="list-style-type: none">a. GAO Technical Libraryb. GAO Law Libraryc. Public and private librariesd. Internal audit/inspector general organizationse. Trade associationsf. "Federal Information Sources and Systems" - Congressional Sourcebook Series
12. Job plans and individual roles and responsibilities	<ul style="list-style-type: none">a. Job planning (PPMA) documentsb. Team agreements